



# **WASHINGTON STATE**

**PROPOSED MODIFICATION TO THE  
2005-2007 STATE PLAN  
FOR  
TITLE I-B  
OF THE WORKFORCE INVESTMENT ACT  
AND  
THE WAGNER PEYSER ACT**

**ADJUSTED LEVELS OF PERFORMANCE FOR  
PROGRAM YEAR 2004  
(July 1, 2004 thru June 30, 2005)**

**FOR PUBLIC REVIEW AND COMMENT  
THROUGH SEPTEMBER 30, 2005**

**PROPOSED MODIFICATIONS TO  
PY 2004 ADJUSTED LEVELS OF PERFORMANCE  
UNDER THE WORKFORCE INVESTMENT ACT, TITLE I-B**

Under WIA title I, subtitle B, each state workforce agency must negotiate expected levels of performance with the U.S. Department of Labor for the adult, dislocated worker, and youth programs as well as for customer satisfaction. Section 136 (b) (3) (A) (vi) of the Act permits each Governor to request revisions to the state negotiated levels of performance in the event that unanticipated circumstances arise in a state resulting in a significant change in the economic conditions for the state, the characteristics of participants, and the services provided to participants.

The U.S. Department of Labor has established criteria for revising state negotiated levels of performance, policy on requesting revisions, submitting requests, negotiating adjustments and the approval/disapproval of requests. The final step in that process is for the state requesting revisions to adjusted levels of performance to incorporate approved revisions into the State Plan (for WIA Title I-B) through a plan modification. Plan modifications are subject to public review and comment requirements that apply to development of the original State Plan.

This is the Plan Modification recording the approved revisions to PY 04 adjusted levels of performance resulting from Washington State's request for renegotiation performance levels. Washington State requested revisions to 14 of the 17 adjusted levels of performance – nine increases and five reductions. The U.S. Department of Labor approved all nine increases, as shown below, and one of the reductions.

Performance Measure	Original Level	Proposed Level	Approved by DOL
Adult Entered Employment	75.5%	75.6%	75.6%
Adult Retention	82.0%	83.3%	83.3%
Adult Earnings Gain	\$3,750	\$3,794	\$3,794
Adult Employment & Credential	69.0%	69.3%	69.3%
Dislocated Worker Entered Employment	79.0%	78.7%	No Change
Dislocated Worker Earnings Gain	86.0%	77.0%	77.0%
Dislocated Worker Employment & Credential	71.0%	72.4%	72.4%
Older Youth Entered Employment	70.5%	70.8%	70.8%
Older Youth Retention	78.0%	79.7%	79.7%
Older Youth Earnings Gain	\$2,900	\$3,212	\$3,212
Older Youth Employment & Credential	46.0%	46.9%	46.9%
Younger Youth Diploma or Equivalent	53.0%	51.7%	No Change
Younger Youth Retention	59.0%	58.5%	No Change
Participant Satisfaction	75.0%	74.7%	No Change

The request for adjustments and the U.S. Department of Labor's Approval Letter and analysis of its response to these requests is attached to this plan modification. The modification approves the adjusted levels of performance found in the "Approved by DOL" column of the table. Note that our original requested adjustment to the Older Youth Entered Employment performance level was a small reduction.

This was changed to the small increase shown above during the negotiation process, after DOL raised questions that identified an error in our analysis.

The changes proposed were based on regression analyses prepared by Workforce Board staff during the spring of 2005. These regression models are intended to replace models developed in 2002 which were based, in part, on data from the Job Training Partnership Act (JTPA). These models are also used to develop proposed local area targets for Washington's 12 Workforce Development Areas and to make annual adjustments to local area targets for changes to economic and demographic characteristics. Because of problems identified during this summer's target setting process for local workforce areas, the Workforce Board has determined that the models attached to this request still need work before they can be used to perform annual adjustments to local area targets. Therefore, the models attached to this plan modification will be reviewed and revised if necessary.

Most of the increases in targets stem from improved economic conditions. The reduction in dislocated worker earnings gain stems from an increase in average pre-program earnings for dislocated workers exiting in the PY04 reporting period. The cumulative impact of these adjustments is to raise Washington State's adjusted levels of performance from 103 percent of the national average to 104 percent of the national average. After the approved revisions, Washington achieved an average of 103% instead of 105% of its Adult program targets; 104% instead of 101% of its Dislocated Worker program targets, and 118% instead of 120% of Youth program targets.

The Workforce Board expects to seek similar adjustments to performance levels for future years, if necessary. It is worth noting that the proposed changes to and negotiations of PY 04 revisions to adjusted levels of performance occurred after the negotiations for adjusted levels of performance for PY 05 and PY 06 had already been completed. The increases in PY 04 performance levels proposed by Washington State and accepted by the U.S. Department of Labor therefore had no impact on performance levels for future periods.

Comments on this proposed modification to the State Plan may be sent to:

Workforce Training Board  
PO Box 43105  
Olympia, WA 98504-3105  
Attn: Martin McCallum

or Faxed to  
(360) 586-5862 FAX  
or emailed to  
[mmccallum@wtb.wa.gov](mailto:mmccallum@wtb.wa.gov)

For more information on the Workforce Board's request and U.S. Department of Labor response, go to:  
<http://www.wtb.wa.gov/wiaperfpy04.doc>

For copies of the regression models supplied to the U.S. Department of Labor with this request, go to:  
<http://www.wtb.wa.gov/perfmodelpy04.xls>

Comments will be accepted until September 30, 2005. The U.S. Department of Labor has the ability to reconsider any decision impacted by comments received.